GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:709
ANSWERED ON:22.11.2002
SUGAR MILLS IN UP
JASWANT SINGH YADAV;YOGI ADITYANATH

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) the number of the sugar mills lying closed in the country at present, State-wise and sector-wise;

(b) the reasons for their closure;

(c) whether the Government propose to revive these closed mills especially the sugar mill at Anand Nagar, Uttar Pradesh; and

(d) if so, the details of the steps taken/proposed to be taken by the Government in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (S SREENIVASA PRASAD)

(a): A statement showing statewise and sectorwise number of sugar mills which have remained closed in the country during 2001-02 sugar season is at Annexure. The present season 2002-03 has just started.

(b): The closure of sugar mills in the country could be due to variety of factors, such as, inadequate cane availability, uneconomical size and age of the plant, bad condition of plant & machinery, technical and managerial failure, excessive high cane price not commensurate with sales realization and various other factors.

(c)&(d): At present, there is no proposal in the Ministry of Consumer Affairs, Food & Public Distribution for revival of closed sugar mills including Anand Nagar sugar mill.

However, the Government of India have taken the following steps for revival of sick sugar mills:-

1) A Committee has been constituted to examine the cases of sick Cooperative sugar mills and to recommend revival packages of potentially viable units.

2) The Sugar Development Fund Rules, 1983 have been amended for providing financialassistance at concessional rates of interest to potentially viable sick sugar mills.

3) The levy obligation of sugar mills was reduced from 40% to 30% w.e.f. 1.1.2000 and was further reduced to 15% w.e.f.1.2.2001 and then again reduced to 10% w.e.f. 1.3.2002.

ANNEXURE

ANNEXURE REFERRED TO IN REPLY TO PART (a) OF UNSTARRED QUESTION NO. 709 DUE FOR ANSWER ON 22-11-2002 IN THE LOK SABHA.

A STATEMENT SHOWING STATEWISE AND SECTORWISE NO. OF SUGAR MILLS REMAINED CLOSED DURING S SEASON 2001-02.

State	No. of sugar mills closed		
	Private	Public	Cooperative
Punjab		1	

Rajasthan	1	1	
Uttar Pradesh	6	1	
Madhya Pradesh	1	2	
Gujarat		7	
Maharashtra	1		26
Bihar	3	15	
Assam	1	1	
Andhra Pradesh	1	1	4
Karnataka	3		3
Tamilnadu	1		2
Kerala	1		
Orissa	3		1
Total	22	19	46